AMENDED IN ASSEMBLY MAY 17, 2010

AMENDED IN SENATE JANUARY 21, 2010

AMENDED IN SENATE MAY 28, 2009

AMENDED IN SENATE MAY 6, 2009

AMENDED IN SENATE APRIL 22, 2009

AMENDED IN SENATE APRIL 13, 2009

## SENATE BILL

No. 518

## Introduced by Senator Lowenthal (Coauthor: Senator Hancock)

February 26, 2009

An act to add Section 2117.5 to the Streets and Highways Code, and to amend Section 22508 of, and to add Division 19 (commencing with Section 43000) to, the Vehicle Code, relating to vehicles. An act to add Section 18941.8 to the Health and Safety Code, and to amend Section 14877.1 of the Water Code, relating to building standards.

## LEGISLATIVE COUNSEL'S DIGEST

SB 518, as amended, Lowenthal. <del>Vehicles: parking services and fees.</del> *Building standards: graywater.* 

The California Building Standards Law provides for the adoption of building standards by state agencies by requiring all state agencies that adopt or propose adoption of any building standard to submit the building standard to the California Building Standards Commission for approval and adoption.

Existing law requires the Department of Housing and Community Development to propose the adoption, amendment, or repeal of building  $SB 518 \qquad \qquad -2-$ 

standards to the commission relating to hotels, motels, lodging houses, apartment houses, and dwellings, and the buildings and structures accessory thereto, except as specified. Existing law requires the Department of Housing and Community Development, at the next triennial building standards rulemaking cycle that commences on or after January 1, 2009, to adopt and submit to the commission for approval building standards for the construction, installation, and alteration of graywater, as defined, systems for indoor and outdoor uses.

Existing law requires the Department of Water Resources to adopt standards for the installation of graywater systems. Existing law terminates the authority of the Department of Water Resources to adopt graywater standards for residential buildings upon the approval by the commission of the standards submitted by the Department of Housing and Community Development.

This bill would require the commission, as a part of the next triennial edition of the California Building Standards Code adopted after January 1, 2011, to adopt building standards for the construction, installation, and alteration of graywater systems for indoor and outdoor uses in nonresidential occupancies, in accordance with prescribed requirements. The bill would terminate the authority of the Department of Water Resources to adopt standards for graywater systems in nonresidential occupancies upon adoption of the standards by the commission.

(1) Under existing law, the State Building Construction Act of 1955, state funds may be used to fund the construction or operations of parking facilities in California. Under existing law, a city, county, or city and county is authorized to provide for the parking of motor vehicles, including the construction and operation of parking facilities, and the acquisition of land, property, and rights-of-way necessary or convenient for use as public parking places.

This bill would require, on and after January 1, 2011, with respect to any lease of real property that a state entity enters into, that the lease list the full cost of any parking spaces as a separate line item, and, for this purpose, the bill would define the construction and operating costs of parking, the current cost of a monthly transit pass, the full cost of a parking space, and transit intensive areas. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

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The bill would authorize a city, county, or a city and county to adopt and implement measures to reduce or eliminate subsidies for parking from a specified menu associated with that menu to ensure that a city, county, or a city and county manages its parking so that the actual cost of a parking space equals its full cost, as specified.

The bill also would authorize a city, county, or a city and county to request the State Air Resources Board (board) to approve and award points for other alternate measures to reduce or eliminate subsidies that fail to charge users for the full cost of a parking space, as specified. The bill also would require the board to consider making cities or counties that adopt and implement measures that exceed a total score of 20 points from the specified menu eligible to receive carbon reduction credits through the board's cap-and-trade program, as specified, and if a total score of at least 50 points from the specified menu is achieved, the city, county, or a city and county, with respect to any application for competitive loan or grant programs funded by a general obligation bond approved by the voters on or after January 1, 2010, would receive bonus points equal to 5% of the total available points.

- (2) This bill would also authorize the expenditure of any moneys apportioned to cities or counties from the Highway Users Tax Account in the Transportation Tax Fund for the adoption or implementation of transportation demand management measures, including measures adopted pursuant to these provisions.
- (3) Existing law prohibits a local authority from establishing parking meter zones or fixing the rate for those zones except by ordinance.

This bill would permit a local authority to specify by ordinance a performance target and allow the rate of fees to be set administratively to achieve the performance target.

This bill would authorize a local authority to dedicate any portion of revenues collected from parking meter zones to benefit parking benefit districts or to fund programs that reduce parking demand, including, but not limited to, public transit, transportation demand management, or bicycle and pedestrian infrastructure improvements and promotion.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes-no.

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The people of the State of California do enact as follows:

SECTION 1. Section 18941.8 is added to the Health and Safety Code, to read:

- 18941.8. (a) As used in this section, "graywater" has the same meaning as defined in Section 17922.12.
- (b) Notwithstanding Chapter 22 (commencing with Section 14875) of Division 7 of the Water Code, as a part of the next triennial edition of the California Building Standards Code (Title 24 of the California Code of Regulations) adopted after January 1, 2011, the commission shall adopt building standards for the construction, installation, and alteration of graywater systems for indoor and outdoor uses in nonresidential occupancies.
- (c) In adopting building standards under this section, the commission shall do all of the following:
- (1) Ensure protection of water quality in accordance with applicable provisions of state and federal water quality law.
- (2) Consider the adopted building standards for the construction, installation, and alteration of graywater systems for indoor and outdoor uses in residential buildings.
- (3) Consider existing research available on the environmental consequences to soil and groundwater of short-term and long-term graywater use for irrigation purposes, including, but not limited to, research sponsored by the Water Environment Research Foundation.
  - (4) Consider graywater use impacts on human health.
- (5) Consider the circumstances under which the use of graywater treatment systems in nonresidential occupancies is recommended.
- (6) Consider the use and regulation of graywater in other jurisdictions within the United States and in other nations.
- (d) The commission may revise and update the standards adopted under this section at any time.
- (e) The commission's adoption of building standards for graywater systems pursuant to this section shall terminate the authority of the Department of Water Resources to adopt and update standards for the installation, construction, and alteration of graywater systems in nonresidential buildings pursuant to Chapter 22 (commencing with Section 14875) of Division 7 of the
- 38 Water Code.

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SEC. 2. Section 14877.1 of the Water Code is amended to read: 14877.1. (a) The department, in consultation with the State Department of Public Health and the Center for Irrigation Technology at California State University, Fresno, shall adopt standards for the installation of graywater systems. In adopting these standards, the department shall consider, among other resources, "Appendix J," as adopted on September 29, 1992, by the International Association of Plumbing and Mechanical Officials, the graywater standard proposed for the latest edition of the Uniform Plumbing Code of the International Association of Plumbing and Mechanical Officials, the City of Los Angeles Graywater Pilot Project Final Report issued in November 1992, and the advice of the Center for Irrigation Technology at California State University, Fresno, on the installation depth for subsurface drip irrigation systems. 

(b) The department shall include among the approved methods of subsurface irrigation, but *the approved methods* shall not be limited to, drip systems.

- (c) The department shall revise its graywater systems standards as needed.
- (d) (1) The authority of the department under this chapter to adopt standards for residential buildings shall terminate upon the approval by the California Building Standards Commission of the standards submitted to that commission pursuant to Section 17922.12 of the Health and Safety Code.
- (2) The authority of the department under this chapter to adopt standards for nonresidential occupancies shall terminate upon the adoption of standards by the California Building Standards Commission pursuant to Section 18941.8 of the Health and Safety Code.
- SECTION 1. The Legislature finds and declares all of the following:
- (a) The transportation sector contributes over 40 percent of the greenhouse gas emissions in the State of California; automobiles and light trucks alone contribute almost 30 percent. The transportation sector is the state's single largest contributor of greenhouse gases.
- (b) In 2006, the Legislature passed and the Governor signed Assembly Bill 32 (Chapter 488 of the Statutes of 2006; hereafter AB 32), which requires the State of California to reduce its

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greenhouse gas emissions to 1990 levels no later than 2020. According to the State Air Resources Board, in 1990 greenhouse gas emissions from automobiles and light trucks were 108 million metric tons, but by 2004 these emissions had increased to 135 million metric tons.

- (e) Greenhouse gas emissions from automobiles and light trucks can be substantially reduced by new vehicle technology and by the increased use of low carbon fuel. However, even taking these measures into account, it will be necessary to achieve significant additional greenhouse gas reductions by reducing vehicle miles traveled. Without those reductions, California will not be able to achieve the goals of AB 32.
- (d) In addition, automobiles and light trucks account for 50 percent of air pollution in California and 70 percent of the state's consumption of petroleum. Reducing vehicle trips will also help reduce criteria pollutant emissions that are regulated by the state and federal clean air acts and reduce the state's dependence on petroleum.
- (e) California has five of the top 13 most traffic congested metropolitan areas in the United States. Pricing strategies, such as parking pricing, are the most effective way to achieve lasting reductions in traffic congestion by permanently reducing roadway demand. On a congested street, eliminating just 10 percent of vehicles can result in free-flowing traffic.
- (f) The existence of "free" parking is a significant factor that encourages vehicle trips. At employment sites, employer-paid parking increases rates of driving by as much as 22 percent. Conversely, employee-paid parking reduces rates of driving by the same amount.
- (g) Excessive governmental parking requirements greatly expand the built footprint and increase travel distances, thereby increasing vehicle miles traveled and reducing the viability of alternate transportation modes that help to achieve the state's greenhouse gas reduction targets, including walking, bicycling, and public transportation.
- (h) Parking is costly to build and maintain. Building a structured parking space in 2008 costs between \$17,000 and \$30,000, with underground spaces costing significantly more. Annual operations and maintenance costs vary from \$100 and \$500 per space per year. The high cost of land, construction, and maintenance to

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provide free parking adds significantly to the cost of economic development, making many housing and commercial developments, especially those on infill or transit-oriented sites, financially infeasible and hindering economic development strategies. Moreover, when parking is provided free to the user, these costs are hidden elsewhere in the cost of doing business. Free parking at stores is paid for by all customers in higher prices for goods, including those customers who do not drive. Free parking in housing developments is paid for by all residents, even those who do not drive. Free employer-provided parking is paid for by lower wages for all workers, including those who do not drive. Free onstreet parking is paid for by the entire community in the form 

- (i) Eliminating subsidies for parking has enormous potential to reduce traffic congestion and greenhouse gas and other vehicle emissions by reducing vehicle miles traveled. If drivers must pay the true cost of parking, it will affect their choices on whether or not to drive. In the short term, changes to parking policy can reduce traffic congestion and greenhouse gas emissions more than all other strategies combined, and they are usually the most cost-effective approach. Eliminating parking subsidies can also improve social equity by lowering prices for those who do not drive, that are often lower-income households.
- SEC. 2. Section 2117.5 is added to the Streets and Highways Code, to read:
- 2117.5. Any of the moneys apportioned to cities or counties from the Highway Users Tax Account in the Transportation Tax Fund may be expended for the adoption or implementation of transportation demand management measures, including measures adopted pursuant to Section 43002 of the Vehicle Code.
- SEC. 3. Section 22508 of the Vehicle Code is amended to read: 22508. (a) A local authority shall not establish parking meter zones except by ordinance. An ordinance establishing a parking meter zone shall describe the area that would be included within the zone.
- (b) A local authority shall either fix the rate of fees for parking meter zones by ordinance or specify by ordinance a performance target and allow the rate of the fees to be set administratively to achieve the performance target.

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(c) A local authority may by ordinance cause streets and highways to be marked with white lines designating parking spaces and require vehicles to park within the parking spaces.

- (d) An ordinance adopted by a local authority pursuant to this section with respect to any state highway shall not become effective until the proposed ordinance has been submitted to and approved in writing by the Department of Transportation. The proposed ordinance shall be submitted to the department only by action of the local legislative body and the proposed ordinance shall be submitted in complete draft form.
- (e) An ordinance adopted pursuant to this section establishing a parking meter zone or fixing rates of fees for that zone shall be subject to local referendum processes in the same manner as if the ordinance dealt with a matter of purely local concern.
- (f) A local authority may dedicate any portion of revenues collected from parking meter zones to benefit parking benefit districts or to fund programs that reduce parking demand, including, but not limited to, public transit, transportation demand management, or bicycle and pedestrian infrastructure improvements and promotion.
- SEC. 4. Division 19 (commencing with Section 43000) is added to the Vehicle Code, to read:

## **DIVISION 19. PARKING REQUIREMENTS**

43000. For the purposes of this division, the following terms have the following meaning:

(a) "Current cost of a monthly transit pass" means the most recent adopted rate of a monthly transit pass for an adult by the local transit operator serving the jurisdiction in which the residence or employer is located. If no monthly pass exists, the amount shall be the sum of a return fare for a 20-day period. In a jurisdiction in which there are multiple transit operators, the amount shall be the average of the monthly pass of two or more of the largest operators serving the jurisdiction, but no more than four operators. This amount shall be calculated by the regional transportation planning agency by June 31 of each year and shall be made available to the public on the agency's Internet Web site. If no transit operator serves the jurisdiction, the amount shall be forty dollars (\$40).

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(b) "Full cost of a parking space" means the sum of all of the following:

- (1) Annualized land cost. For surface parking or for structured parking uncovered by occupiable space, the land cost shall be equal to the full value of the land area of the parking facility. For entirely underground parking, the land cost shall be zero. For above-ground parking wholly or partially covered by occupiable space, assume a fractional land cost based upon the above-ground volume of the parking facility compared to the volume of the parking facility and other occupiable building space combined. To annualize the cost, divide actual or fractional land cost by 10. For leased land, use the annual lease rate.
- (2) Annualized construction cost. Include full project cost divided by the useful life of the facility. If actual costs are not available, use a per-space cost from a current relevant parking construction cost index, published by the parking, transportation, or construction industries and assume a 40-year useful life.
- (3) Annualized operations and maintenance costs. Include lighting, landscape, irrigation, security, insurance, equipment, pavement maintenance, collections, enforcement, and related costs. If actual costs are not available, use current applicable estimates published by the parking, transportation, or construction industries.
- (c) "Transit intensive area" means central business districts, areas within one-half mile of a major transit stop, as defined in subdivision (b) of Section 21155 of the Public Resources Code, and areas within one-quarter mile of a high-quality transit corridor, as defined in subdivision (b) of Section 21155 of the Public Resources Code.
- 43001. With respect to any lease of real property that a state entity enters into on or after January 1, 2011, the lease shall list the full cost of any parking spaces as a separate line item.
- 43002. A city, county, or city and county may adopt and implement measures to reduce or eliminate subsidies for parking, including, but not limited to, measures from the following menu:

MEASURE	POINTS
PARKING REQUIREMENTS AND ZONING	
Eliminate minimum parking requirements citywide or within the	
unincorporated county.	<del>20</del>

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	Reduce average minimum parking requirements for all general	
	office, general retail, general commercial, and similar development	
	citywide or within the unincorporated county to:	_
	Less than 3 spaces per 1,000 square feet	2
	Less than 2 spaces per 1,000 square feet	5
	Less than 1 space per 1,000 square feet	<del>10</del>
	Reduce minimum parking requirements for residential uses to:	
	1 uncovered space per zero- or one-bedroom unit	
	1.5 uncovered spaces per two-bedroom unit	
	2 uncovered spaces per three-bedroom or larger unit	5
	Reduce minimum parking requirements for all sizes of residential	
	units below 1 uncovered space per unit.	<del>10</del>
	Eliminate minimum parking requirements for projects in transit	
	intensive areas.	<del>10</del>
	Establish maximum parking restrictions for all general office,	-
	general retail, general commercial, and similar development at or	-
	below the following:	-
	3 spaces per 1,000 square feet	<del>10</del>
	2 spaces per 1,000 square feet	<del>15</del>
	1 space per 1,000 square feet	<del>20</del>
	Establish commercial parking maximums of 2 or fewer spaces per	
	1,000 sq. feet citywide or within the unincorporated county.	<del>10</del>
i	Establish commercial parking maximums of 2 or fewer spaces per	
	1,000 sq. feet in transit intensive areas.	5
	Establish residential parking maximums of 1 or fewer spaces per	
	unit in transit intensive areas.	5
l	Remove restrictions against residential tandem parking, including	
	eliminating requirements that parking must be independently	
	accessible to count toward minimum residential parking	
	requirement, if any.	2
ı	Remove restrictions against mechanized and mechanical "lift"	
	parking, including counting mechanized spaces toward minimum	
	requirement, if any.	2
	Establish a shared parking ordinance and requirements for	
	interconnection of parking in all commercial areas.	2
	Remove or increase by 50% allowable density limits and floor area ratios (FAR), allowing infill development on existing parking	

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MANAGEMENT	
Adopt an ordinance to require, with respect to the initial sale of a	
separate interest within a common interest development of five or	
more units, that access to parking be sold separately at a price that	
reflects the full cost of the parking space or spaces.	5
Adopt an ordinance to require that any lease for commercial space	
in a complex of five or more commercial tenants include a separate	
unbundled charge for the parking space or spaces that reflects the	
full cost of the parking space or spaces but is not less than the	
number of leased parking spaces multiplied by the current cost of	
a monthly transit pass within the city or county and grant the lessee	
the ability to opt out of the parking charge by foregoing use of the	
parking space or spaces.	5
Adopt an ordinance to require that any new employment contract	
under which the employer provides a parking space within the	
city, county, or city and county include a nonreimbursable charge	
to the employee that reflects the full cost of the parking space but	
is not less than the cost of a monthly transit pass within the city,	
county, or city and county and that the employee may opt out of	
by foregoing use of the parking space.	5
Adopt an ordinance to require employers to offer transit passes to	
all employees, including full-time, part-time, and seasonal	
employees, on a pretax basis and certify compliance upon	
application for a new or renewal business license.	2
PARKING MANAGEMENT	
Adopt an ordinance to set on-street parking meter and public	
parking lot and garage rates to achieve an 85% target occupancy	
rate during hours when adjacent businesses are open or employ	
demand-responsive rates that vary throughout the day to achieve	
an 85% target occupancy rate.	10
Establish a Parking Benefit District, whereby all or a portion of	
new public parking revenues are directed toward improvements	
within the district where the revenue was raised.	5
Establish a Residential Parking Benefit District, whereby a limited	
number of parkers may pay to park in an otherwise restricted	
Residential Parking Permit area, with the net revenue directed	5

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1	toward improvements within the district where the revenue was	
2	<del>raised.</del>	
3	Install parking meters in areas with parking occupancy rates of	
4	greater than 85% and establish meter rates such that parking	
5	availability improves to 85% or better.	2
6	PARKING REVENUE	
7	Adopt an ordinance to direct some portion of net public parking	6
8	revenues to programs that reduce parking demand, including, but	multiplied
9	not limited to, public transit, transportation demand management,	by the %
10	or bicycle and pedestrian infrastructure improvements and	of net
11	<del>promotion.</del>	revenue
12		directed
13	Adopt a parking sales tax, a property assessment upon parking	6
14	owners, or a use fee upon parkers, with some portion of resulting	multiplied
15	net revenue directed at programs that reduce parking demand,	by the %
16	including, but not limited to, public transit, transportation demand	of net
17	management, or bicycle and pedestrian infrastructure improvements	revenue
18	and promotion.	directed
19		

(b) Upon request by a city, county, or city and county, the State Air Resources Board may approve and award points for other alternate measures to reduce or eliminate subsidies that fail to charge users for the full cost of a parking space, provided that points are awarded in proportion to their estimated impact on vehicle miles traveled, consistent with the weighting for measures described in subdivision (a).

- (c) The State Air Resources Board shall consider making a city, county, or a city and county that adopts and implements measures that exceed a total score of 20 points from the menu described in subdivision (a) eligible to receive carbon reduction credits through the board's cap-and-trade program for those measures that exceed the 20-point threshold if the granting of those credits does not result in increasing the overall cap on emissions.
- (d) If a city, county, or a city and county adopts and implements measures to achieve a total score of at least 50 points from the menu described in subdivision (a), with respect to any application submitted by the city or county for competitive state loan or grant programs related to housing, transportation, or economic development or funded by a general obligation bond approved by

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the voters on or after January 1, 2010, the city, county, or city and county shall receive bonus points equal to 5 percent of the total available points.

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Constitution.

- (e) Cities and counties are encouraged to address any parking spillover from new development through the use of residential parking permits or other parking management strategies and to provide residents who resided in the parking permit zone prior to adoption of the parking permit zone a parking permit for free.
- SEC. 5. The changes to Section 22508 of the Vehicle Code enacted by this act are declaratory of existing law.
- SEC. 6. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California